

SB 846_MDCC_Maryland Department of Labor – Unemplo

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Position: FAV

LEGISLATIVE POSITION:

Favorable

Seante Bill 846 – Maryland Department of Labor – Unemployment Insurance – Study on Actively Seeking Work Requirements

Tuesday, March 5, 2024

Dear Chairwoman Beidle and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

Senate Bill 846 requires the Maryland Department of Labor, on or before December 1, 2024, to conduct a study on the actively seeking work requirements of the unemployment insurance system and to evaluate the effects of ghosting on actively seeking work requirements and report on the study to the General Assembly.

According to the U.S. Chamber of Commerce Maryland falls in the ‘most severe’ category of their national workforce shortage index.¹ For every 100 jobs available in Maryland there are only 33 workers available to fill them. Coupled with historically low unemployment rates, Maryland businesses of all sizes and industries are desperate to fill positions and build their businesses to their full economic potential.

Unfortunately, it is becoming more common for employers to contact potential employees about applications for open positions only to be met with no response. Known as ‘ghosting’, this issue is a loss of valuable time for the employer distracting from those potential candidates who are legitimately interested in the position or may be a better fit for the roll. Some believe this practice is a function of Maryland’s low threshold of activities that qualify as actively searching for work to maintain their eligibility for unemployment insurance benefits.

SB 846 would direct MDDOL to evaluate other state’s actively searching for work requirements and compare them to Maryland’s existing requirements. The Maryland Chamber of Commerce supports this effort as a means of identifying requirements which may result in a more engaged workforce pool, better connecting potential employees with open positions.

The Maryland Chamber of Commerce requests a **favorable report** on **SB 846**.

¹ <https://www.uschamber.com/workforce/the-states-suffering-most-from-the-labor-shortage?state=md>

SB846_NFIB_fav (2024).pdf

Uploaded by: Mike O'Halloran

Position: FAV



NFIB-Maryland – 60 West St., Suite 101 – Annapolis, MD 21401 – www.NFIB.com/Maryland

TO: Senate Finance Committee

FROM: NFIB – Maryland

DATE: March 5, 2024

RE: **SUPPORT SENATE BILL 846** – Maryland Department of Labor – Unemployment Insurance – Study on Actively Seeking Work Requirements

Founded in 1943, NFIB is the voice of small business, advocating on behalf of America’s small and independent business owners, both in Washington, D.C., and in all 50 state capitals. With more than 250,000 members nationwide, and nearly 4,000 here in Maryland, we work to protect and promote the ability of our members to grow and operate their business.

On behalf of Maryland’s small businesses, NFIB-Maryland supports Senate Bill 846 – legislation asking the Department of Labor to study the rising issue of “ghosting” as it relates to unemployment insurance claims.

“Ghosting,” as defined in the bill, is the failure of an unemployment insurance claimant who is scheduled for a job interview to attend or maintain contact with the employer after the interview is scheduled.

A lot of debate has taken place over the past few legislative sessions on the health of the Unemployment Insurance Trust Fund (UITF), its solvency, and potential changes to the system. One thing missing from the discussion is the issue of ghosting and its impact on the UITF. How many benefits are being erroneously paid out because of it? Do the work search requirements need to be reevaluated?

These are important questions that deserve answers as this body moves forward in debating changes to the state’s unemployment insurance program.

For these reasons **NFIB supports SB846** and requests a favorable committee report.

SB 846 - Maryland Department of Labor – Unemployme

Uploaded by: Donna Edwards

Position: UNF



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**SB 846 - Maryland Department of Labor – Unemployment Insurance – Study on Actively Seeking Work Requirements
Senate Finance Committee
March 5, 2024**

OPPOSE

**Donna S. Edwards
President
Maryland State and DC AFL-CIO**

Madame Chair and members of the Committee, thank you for the opportunity to provide testimony in opposition to SB 846 as currently written. My name is Donna S. Edwards, and I am the President of the Maryland State and DC AFL-CIO. On behalf of the 300,000 union members in the state of Maryland, I offer the following comments.

SB 846 requires the Maryland Department of Labor to study the actively seeking work requirements for workers on unemployment insurance and make recommendations on proposals to address problems with job applicants “ghosting” employers. Ghosting, a term originally used in dating and relationships to refer to suddenly cutting off all communications with the other party without providing an explanation, has now been commandeered by employers to refer to the practice of job applicants abruptly not responding to further job inquiries or showing up to interviews.

Despite the over decade old practice of employers commonly not even sending acknowledgements that they received job applications, following up after interviews, or letting applicants know that they filled the position, some employers view the recent trend of employees not responding that they may have found better employment elsewhere as an affront. In fact, the first uses of ghosting regarding employment was about employers not responding to job applicants after interviews.¹ Even more egregious is the common practice of employers to post “ghost jobs,” which are positions that companies posting hiring announcements for with no intention to fill or hire for.² Modern job applicants are expected to be able to keep themselves aware of which job postings are real and fake, maintain availability for potentially multiple rounds of interviews, all while having limited access to information about what the position may actually expect or provide.

In the recent low-unemployment rate economy workers have more options for positions with better pay, benefits, and quality of life. Employers must respond to this labor market by offering competitive compensation and straightforward hiring processes without unnecessary obstacles. Being up front and

¹ J.T. O'Donnell, “‘Ghosted’ after a job interview? Here’s a sample follow-up email—and what to do if you still don’t hear back.” CNBC. May 18, 2021.

² Kristin Schwab. “Those jobs you’re applying to? They might not be real.” Marketplace. January 3, 2024.

transparent about future job information is what Monster reports young Gen-Z workers are looking for. The 2024 Monster survey found that 31% of job applicants that ghosted an employer claimed, “The recruiter or hiring manager was rude or lied to me about the position.” Monster also found that “77 percent of applicants believe there’s a correlation between how they are treated as job applicants and how they would likely be treated on the job.”

There is no body of evidence that ghosting is somehow connected with work search requirements for job applicants on unemployment insurance. SB 846 makes the false conflation between ghosting and applicants trying to work around the state’s work search requirements. The number of job applicants that are currently employed outnumbers the number of job applicants that are unemployed.

Despite this bill’s misguided construction, Maryland should study work search requirements in order to get rid of them. Work search requirements encourage unemployment insurance beneficiaries to accept positions that may be poor fits for their skill sets and experience. Maryland should focus on removing its work search requirements, rather than constructing complicated systems to catch alleged ghosting fraud that is unproven to be connected to unemployment insurance in the first place.

We urge an unfavorable report on SB 846.

Letter of Information - SB 846 (2024).docx.pdf

Uploaded by: Alexis Braun

Position: INFO

Senate Bill 846

Date: March 5, 2024
Committee: Senate Finance Committee
Bill Title: Maryland Department of Labor - Unemployment Insurance - Study on
Actively Seeking Work Requirements
Re: Letter of Information

Senate Bill 846 (“S.B. 946” or “the Bill”) would require the Maryland Department of Labor (“the Department”) to conduct a study on the actively seeking work requirements of the unemployment insurance (“UI”) system in Maryland and other states to evaluate the effects of ghosting on actively seeking work requirements.

The Department could conduct the study with existing resources and staff, and the Bill is not expected to have a fiscal or operational impact on the Department.

The Department respectfully requests that the Committee consider this information.